

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD OF PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO,
et al.,¹

PROMESA
Title III

No. 17 BK 3283-LTS
(Jointly Administered)

Debtors.

**SECOND SUPPLEMENTAL VERIFIED STATEMENT OF THE
OTCB NOTEHOLDER GROUP PURSUANT TO BANKRUPTCY RULE 2019**

Pursuant to Rule 2019 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), made applicable to this Title III case by Section 310 of the Puerto Rico Oversight, Management, and Economic Stability Act (“PROMESA”), 48 U.S.C. § 2170, and in accordance with the *Order Further Amending Case Management Procedures to (A) Reschedule the September 2018 Omnibus Hearing, (B) Provide that Parties are no Longer Required to Provide Service of Paper Courtesy Copies on the Court, and (C) Provide Certain Clarifying Changes Regarding the Disclosure Requirements for Rule 2019(b) Groups* [ECF No. 3730] (the “Order”), this second supplemental verified statement (the “Second Supplemental Statement”) is hereby

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID 9686); and (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747). (Title III case numbers listed as Bankruptcy Case numbers due to software limitations).

submitted by an ad hoc group of holders (the “QTCB Noteholder Group”)² of those certain Qualified School Construction Bonds and Qualified Zone Academy Bonds issued by the Puerto Rico Public Buildings Authority (“PBA”) and guaranteed by the Commonwealth of Puerto Rico (the “Commonwealth”) (collectively, the “QTCBs” and, together with all other bonds issued or guaranteed by the Commonwealth the “General Obligation Bonds”). In support of this Second Supplemental Statement, the QTCB Noteholder Group respectfully states as follows:

1. In or around August 2015, certain members of the QTCB Noteholder Group engaged Bracewell LLP (“Bracewell”) to represent their interests as holders of QTCBs. From time to time thereafter, certain additional holders of QTCBs have joined the QTCB Noteholder Group. In May 2017, the QTCB Noteholder Group retained Correa-Acevedo & Abesada Law Offices, P.S.C. as its Puerto Rico counsel (together with Bracewell, “Counsel”).

2. On August 16, 2017, the QTCB Noteholder Group submitted the *Verified Statement of the QTCB Noteholder Group Pursuant to Bankruptcy Rule 2019* [ECF No. 1053]. On August 14, 2018, the QTCB Noteholder Group submitted the *Supplemental Verified Statement of the QTCB Noteholder Group Pursuant to Bankruptcy Rule 2019* [ECF No. 3765], corrected, *see Corrected Supplemental Verified Statement of the QTCB Noteholder Group Pursuant to Bankruptcy Rule 2019* [EC No. 3778]). Counsel to the QTCB Noteholder Group submits this Second Supplemental Statement to update the information regarding the disclosable economic interests held by members of the QTCB Noteholder Group as of January 18, 2019.

3. In accordance with Bankruptcy Rule 2019 and the Order, attached hereto as Exhibit A is a list of the names, addresses of each member of the QTCB Noteholder Group—and each such member’s disclosable economic interests as of January 18, 2019. The information set

² The QTCB Noteholder Group shall have the same meaning as set forth in Notice of Appearance and Request for Notice [ECF No. 134].

forth herein (including Exhibit A) is based upon information provided to Counsel by the members of the QTCB Noteholder Group and is intended only to comply with Bankruptcy Rule 2019 and the Order.

4. As of the date of this Second Supplemental Statement, Counsel represents only the QTCB Noteholder Group and does not represent or purport to represent any other entities other than the QTCB Noteholder Group with respect to the Debtors' Title III cases. In addition, neither the QTCB Noteholder Group nor any member of the QTCB Noteholder Group (a) assumes any fiduciary or other duties to any other creditor or person and (b) does not purport to act, represent or speak on behalf of any other entities in connection with the Debtors' Title III cases.

5. Nothing contained in this Second Supplemental Statement (including Exhibit A hereto) is intended to or should be construed as (a) a limitation upon, or waiver of any right to assert, file and/or amend its claims in accordance with applicable law and any orders entered in this or any other related Title III cases by any QTCB Noteholder Group member, its affiliates or any other entity, or (b) an admission with respect to any fact or legal theory.

6. Additional holders of QTCBs may become members of the QTCB Noteholder Group, and certain members of the QTCB Noteholder Group may cease to be members in the future. The QTCB Noteholder Group, through its undersigned Counsel, reserves the right to amend or supplement this Second Supplemental Statement as necessary for that or any other reason in accordance with the requirements set forth in Bankruptcy Rule 2019 and the Order.

7. The undersigned verify that the foregoing is true and correct to the best of their knowledge.

[Remainder of Page Intentionally Blank; Signatures Follow]

Dated: January 23, 2019

BRACEWELL LLP

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*Puerto Rico Counsel to the QTCB Noteholder
Group*

Exhibit A

Names, Addresses and Disclosable Economic Interests of the Members of the QTCB Noteholder Group¹

NAME ²	ADDRESS	NATURE AND AMOUNT OF DISCLOSABLE ECONOMIC INTEREST
		As of 1/18/2019
Canyon Capital Advisors LLC (on behalf of its participating clients)	2000 Avenue of the Stars 11 th Floor Los Angeles, CA 90067	<u>General Obligation Bonds</u> Uninsured: \$682,620,895 Insured: \$9,223,750 <u>COFINA Bonds</u> Senior: \$252,175,000
Davidson Kempner Capital Management LP, as investment advisor to its affiliated funds	520 Madison Avenue 30 th Floor New York, NY 10022	<u>General Obligation Bonds</u> Uninsured: \$438,816,000 <u>COFINA Bonds</u> Senior: \$131,536,759 Sub: \$86,550,000
OZ Management LP, on behalf of its participating funds and/or accounts	9 West 57 th Street 39 th Floor New York, NY 10019	<u>General Obligation Bonds</u> Uninsured: \$361,131,000
QTCB Noteholder Group (Aggregate)	N/A	<u>General Obligation Bonds</u> Uninsured: \$1,482,567,895 Insured: \$9,223,750 <u>COFINA Bonds</u> Senior: \$383,711,759 Sub: \$86,550,000

¹ To the best of Counsel's knowledge, the information included herein is accurate as of January 18, 2019. The amounts set forth herein include only outstanding principal and do not include any other amounts that may be due and owing under the applicable debt documents and laws, including but not limited to any overdue or compounded interest. In addition, the amounts set forth herein do not include any disclosable economic interests that are subject to pending trades or other transfers that have not settled or otherwise been closed as of January 18, 2019.

² Each entity on this Exhibit A holds disclosable economic interests, or acts as investment advisor or manager to funds, entities and/or accounts or their respective subsidiaries that hold disclosable economic interests, in relation to the Commonwealth of Puerto Rico or COFINA.